

May 23, 1973

as it is. I don't see any reason why and I pay both sales and income tax, why it shouldn't come out about even on both types of taxpayers. Now the--you can argue what you--all you want to on this floor but this bill to me, is geared for the wealthy and for the benefit of the wealthy and for the corporate in--corporations unless I miss something. He didn't mention corporations in his presentation. I think you should vote no and leave things as they are.

SPEAKER: Senator Burbach.

SENATOR BURBACH: Well Mr. President, Members of the Legislature. I too would oppose the amendment. We now have 50-50 as close as is possible in increments of a half percent in the sales tax and increments of one percent in an income tax. We are delegating a responsibility to the state Board of Equalization for setting the rates. If we were to adopt this amendment, we're delegating a responsibility of someone making a determination, shall it be 40-60, 60-40, 35-65? And only this body can make that determination of what the rate shall be, and I--certain that we are not at a point where it would be unbearable to move forward with State Aid for Education, but we also have a possibility, statements of the Governor saying that we will be reducing sales and income tax with the growth that we have experienced. We cannot delegate this responsibility to someone unless we spell out specifically as we have today, bring it as close to the same as is possible. This would be undoing the things that the Nebraskans are satisfied with at a 50-50 rate. It is the fairest arrangement we can have. We have many of the people in the State, in your district and in my district, that don't even want a sales tax, they want all income tax, but I believe for the fairness for the entire State, we must stay as close to this 50-50 as we now are.

SPEAKER: Senator Keyes.

SENATOR KEYES: Well Mr. President, I'm going to oppose this for two simple reasons. One is that until we enlarge the sales tax to include services and other articles, I don't think we had better mess with it and the second one is that the income tax last year was given a reduction because the Federal Government increased your allowance for dependents so this did help the income tax some and it certainly didn't affect the corporations so I would just oppose them right now. The day comes that we add more to the sales tax, services and so forth, why then I think we have another whole ball game.

SPEAKER: Senator Whitney.

SENATOR WHITNEY: Mr. President, would Senator Burbach yield to a question please? Senator Burbach, I sorta gathered the opinion when you were speaking that if this Legislature adopted this amendment, then this Legislature would be required to set the rates rather than delegating this authority to the Board of Equalization, is this correct?

SENATOR BURBACH: I'm sure that is correct because the day we are telling the Board of Equalization, you set the rates necessary to meet the budget but do it as equally as you can between the sales and income tax in increments of a half percent sales and increments of one percent income and now we have spelled out to them, if we adopt this amendment, we are saying as I interpret the amendment, we're saying lower the income tax, raise the sales tax, do what you want to but